

CONFIDENTIAL

10 January 1964

MEMORANDUM

Balboa High School is run by the Canal Zone Government which, like the Canal Zone Company, is headed by the Governor and is under the US Department of the Army. The Canal Zone Government has responsibility for commissaries, police, schools and other civil functions. The high school area is normally patrolled by Zone police, not by US military personnel.

Since the decision to broaden the dual display of flags in the Zone became known a year ago, the children at Balboa and other American High schools have been increasingly bitter and agitated. The mother of a 1963 graduate of Balboa says there was much high feeling on the subject and her own son, a good student and responsible boy, said he felt he would join any activity to ensure the school's right to fly the US flag.

Balboa is attended primarily by the dependents of US civilian and military personnel in the Zone. Of the some 1500 students, approximately one-third are from Panama City, most of them Panamanians. There is a quota for non-Zone students, filled by those with adequate funds to pay the tuition and with academic competence. There is no history of bad feeling with these Panamanian fellow-students within the school, discipline is normally good in the school and it has a good academic rating. Many of the teachers are the wives of US civilian or military personnel, others are recruited in the US; the principal is a US civilian employee.

Canal Zone civilians have been increasingly bitter over the "concessions" they feel have been made to Panamanian claims for changes in the zone which the Americans argue impinge on US prerogatives and rights. It seems possible that they have not discouraged their children from a defiant stand or from the sort of resentful talk which teenagers can change quickly into resentful action.

CONFIDENTIAL